

Technology – IT & IT Enabled Services Sector Profile Pakistan



Creating Markets, Creating Opportunities



Technology Sector in Pakistan



Pakistan, which has about 60% of its population in the 15 to 29 age group, represents an enormous human and knowledge capital¹. Currently, more than 10,000 IT and ITeS companies are registered with Securities and Exchange Commission of Pakistan (SECP). Pakistan has more than 500,000 English-speaking IT professionals with expertise in emerging IT products and technologies. More than 25,000 IT graduates and engineers graduate each year².



25,000
IT graduates Produced each year in Pakistan



500,000
IT Professionals in Pakistan



1%
Sector contribution in GDP of Pakistan⁴



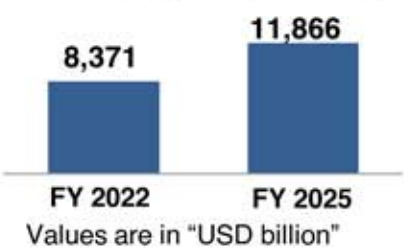
21
Software Technology Parks (STPs)



4th Ranked
Globally For freelance development³

One of the fastest growing sectors of Pakistan⁴

Global IT and ITeS Market¹⁹



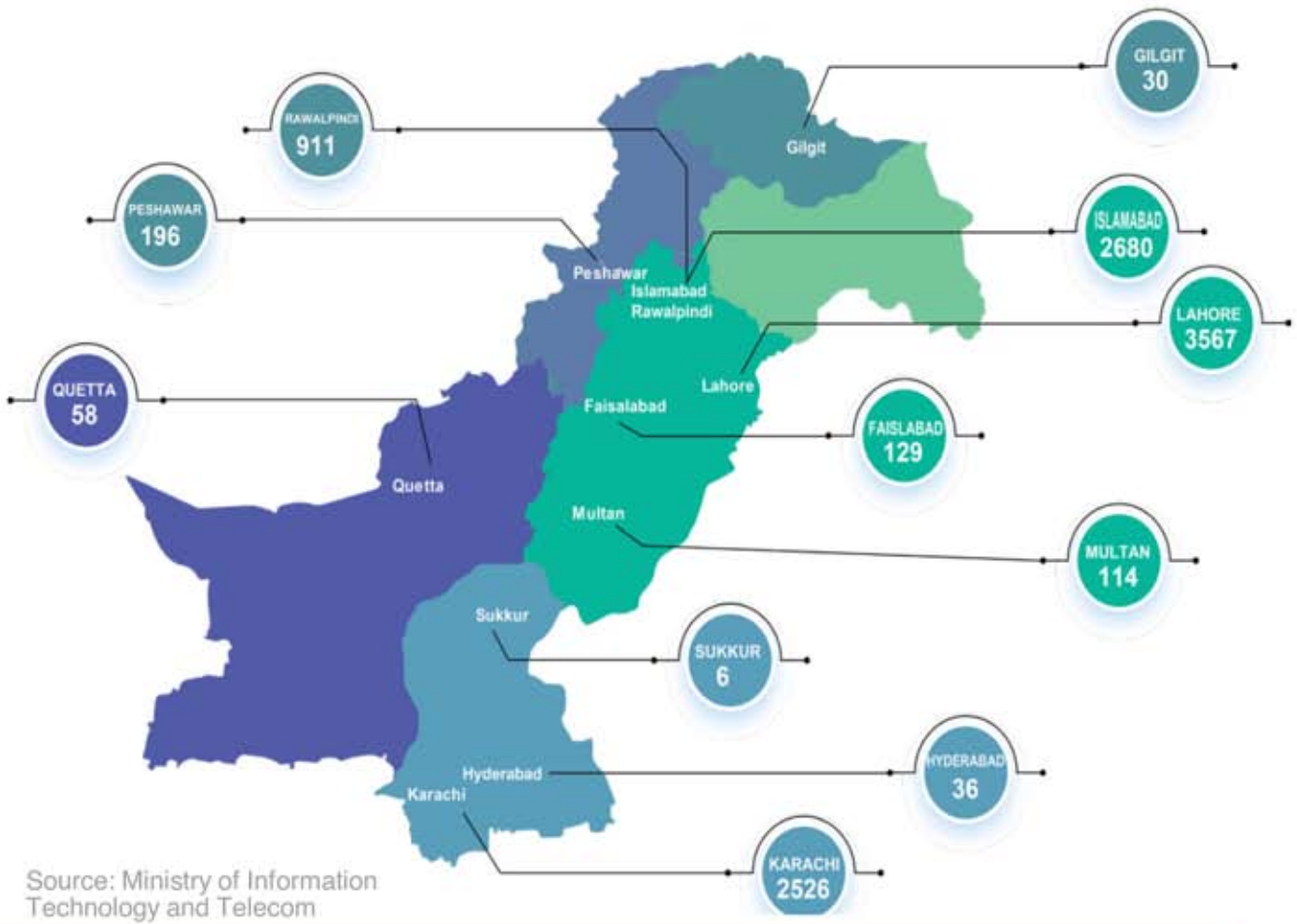
IT Industry Revenue Growth
Over the last 5 years, IT export remittances have increased by 137% at CAGR of 18.85%²

Information technology has assumed a central enabling role in the emerging dynamics of a knowledge society and economy. It is a key lever of economic development. Pakistan's Information Technology (IT) sector is carving a differentiated position as the preferred source for software development, BPO and freelancing. In accordance with Pakistan Vision 2025 and the Digital policy of Pakistan 2018, ICT industry has set a target to reach \$20 billion by 2025.

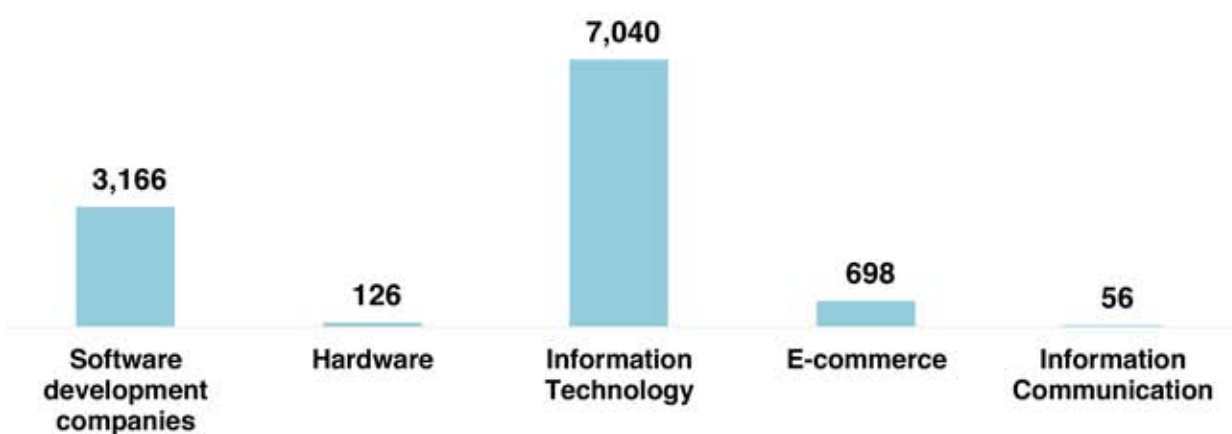
International Telecommunication Union, a United Nations agency for digital tech, has announced IGNITE's National Incubation Centers as one of the champion projects in enabling environment category at World Summit on the Information Society Prizes 2021⁷.



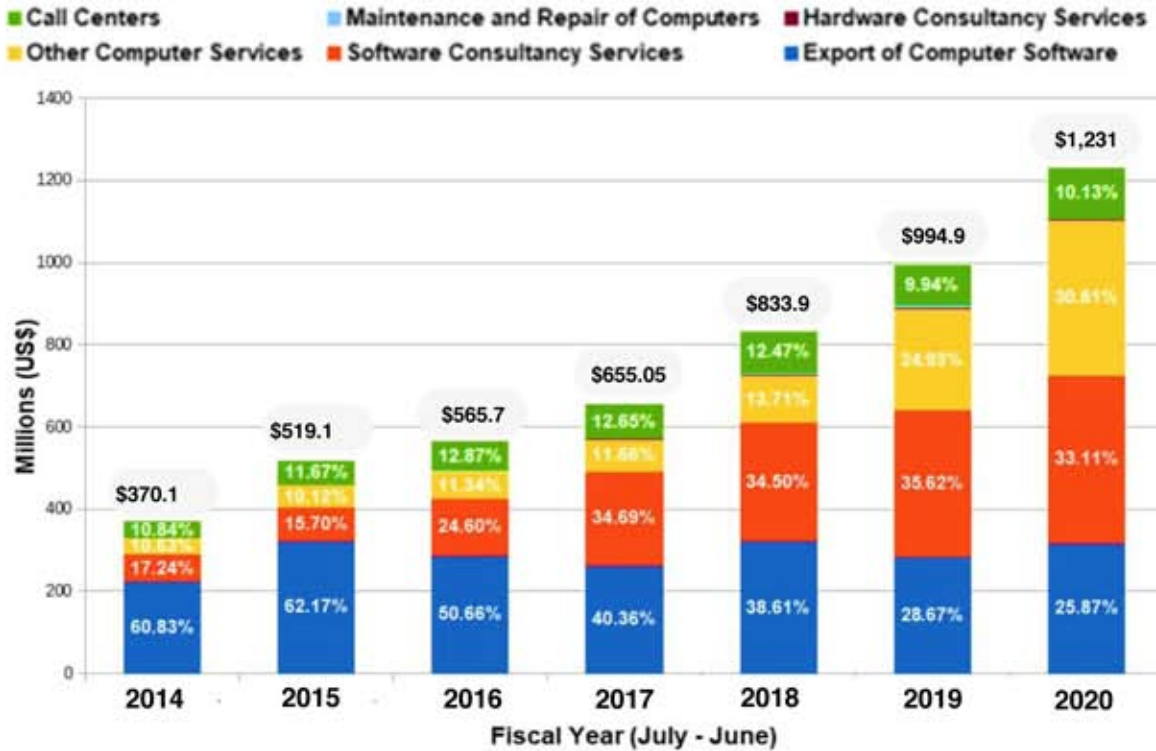
Breakdown of IT & ITeS related Companies by City²



Breakdown of Companies by Nature of Business²

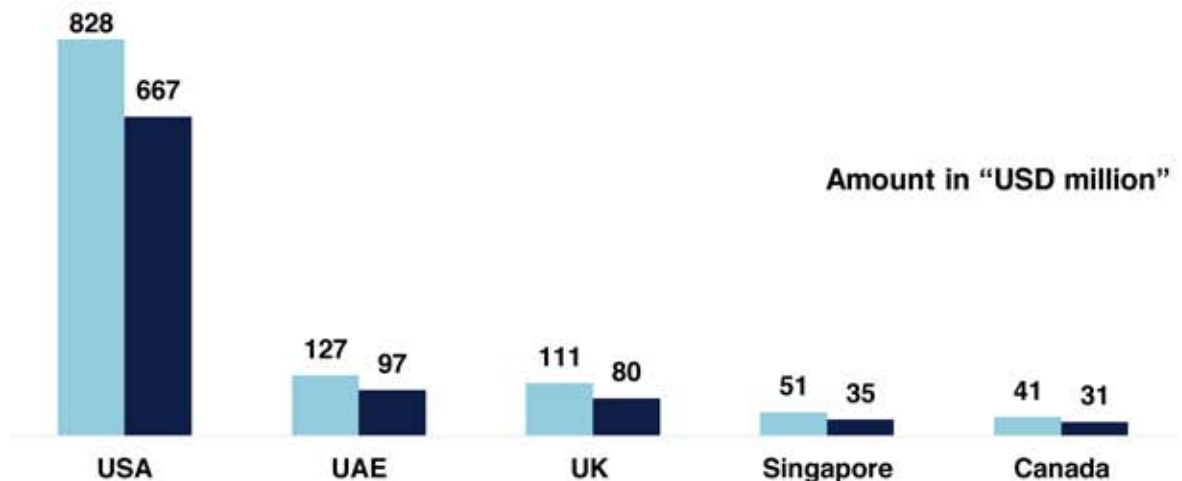


IT & ITeS Export Remittances



Source: Pakistan Software Export Board

Top 5 Export Destinations of Pakistan's IT Exports²



Digital Pakistan Policy⁵

Vision

“To become a strategic enabler for an accelerated digitization eco system to expand the knowledge based economy and spur socio economic growth”

GOP strongly believes in mass adoption of emerging digital technologies and innovative applications to enable cross-sector socio-economic development and transformation of economic activities, governance models, social interaction, and achievement of sustainable development goals



Objectives

- 1 Holistic digital strategy
- 2 Sectorial Digitalization
- 3 E/M-Commerce
- 4 Youth and women empowerment
- 5 Startups/ Incubators, Entrepreneurship
- 6 Software exports, IT remittances
- 7 ICT ranking of Pakistan
- 8 Digital Inclusion
- 9 E-governance
- 10 FDI
- 11 Persons with disabilities
- 12 Standardization

Strategy

- Legislation
- Infrastructure Development
- HR development, entrepreneurship, R&I and freelancing in IT
- Software Exports
- ICT for Girls
- Local Languages Content Development
- Persons with disabilities (PWDs)
- Open Source
- Local Manufacturing of Hardware
- e-Governance

Enabling digitization of key socio-economic sectors

- e-agriculture
- e-health
- e-energy
- e-commerce
- e-justice
- ICT education
- IOT, FinTech, AI & Robotics
- Cloud Computing & Big Data
- ICT education

Sectorial Digitization

Promote the use of technology in education, health, agriculture and other key socio economic sectors.

E/M-Commerce

Enabling an environment where Payment Service Providers (PSP) and Payment Service Operators (PSO) can operate and establish an effective e-commerce setup.

Digital Inclusion

Development of IT Zones/Software Technology Parks.

Innovation

Establish a framework for setting-up incubation centers in provincial capitals & major secondary cities.



Infrastructure

Open Digitization for shared services including cloud technologies to achieve synergies and economies of scale

Standardization

Support standardization efforts, maximize reusability, create synergies and deliver cost effectiveness.

Empowerment

Ensuring women and girls have equal access to ICTs will help reduce inequalities and support gender equality. Initiate specific ICT for Girls' programs for imparting quality trainings.

Software Exports

Promote domestic software market and utilize the Pakistani Diaspora in the global markets.

Sector Policy - Objectives



Creating Markets, Creating Opportunities

- Holistic Digital Strategy**
 - Create a digital ecosystem with infrastructure and institutional frameworks for the rapid delivery of innovative digital services, applications and content
 - Shift from a piece-meal approach to a holistic technology strategy clearly focused on ICT as a broad enabler of every sector of socioeconomic development
- Sectorial Digitalization**
 - Promote the use of technology in education, health, agriculture and other key socio economic sectors
 - Encourage the use of ICT in public schools and ensure they are online and have a meaningful impact on the current education eco-system in a phased manner
- E/M-Commerce**
 - Promote e-commerce by providing and enabling an environment where Payment Service Providers (PSP) and Payment Service Operators (PSO) can operate and establish an effective e-commerce setup
- Youth & Women Empowerment**
 - Ensuring women and girls have equal access to ICTs will help reduce inequalities and support gender equality. Initiate specific ICT for Girls' programs for imparting quality trainings in computer skills, including software coding, across the country to reduce inequalities, provide decent work and promote economic growth in line with relevant SDGs
- Innovation, Entrepreneurship, Incubators/Startups**
 - Establish a framework for setting-up incubation centers in provincial capitals & major secondary cities facilitating IT startups to get off the ground more quickly and smoothly by tapping into a vast network of business partners and mentors, including specialized innovation centers in thematic areas including FinTech, AI, IOT and Robotics
 - Promote entrepreneurship by providing incentives to IT sector and training for young professionals to become freelancers
- ICT Ranking of Pakistan**
 - The success of the IT industry and freelance sector, the ability of Pakistani IT professionals to win international awards and the availability of a large highly qualified English speaking workforce
 - To setup at least one state of the art purpose built 'Software Technology Park' at major cities of Pakistan (federal and provincial capitals) to promote efficient and cost effective collaboration, digitization, R&D entrepreneurship and innovation
 - Setting up in unserved and underserved areas of Pakistan to provide public with easy access to ICT services.
- Digital Inclusion**
 - Make Pakistan an attractive destination for investment in the IT/ITeS industries
 - Coordinate and support standardization efforts, maximize reusability, create synergies and deliver cost effectiveness
- FDI & Standardization**
 - Reduce barriers to online access for "Persons with Disabilities" (PWDs). Include provisions of prodigious empowerment of PWDs in IT accessibility

E-agriculture

- Creation of Agriculture Information Portal for collection and dissemination of agriculture related information
- Revamping of Geographical Information Systems (GIS) for Pakistan to monitor the environment and plan sustainable agriculture
- Empowering and equipping farm extension workers with IT skills
- Supporting farmers through the use of IT in relevant areas such as digital mapping, land use, soil types, etc.
- Building ICT capacity in agricultural institutions, farmer organizations and groups based on “train the trainer” concept.

E-Health

- Providing clinical health care to distant rural communities
- Leveraging access to qualified specialists by building an online network of doctors and paramedical staff
- Promoting digitization and automation of existing hospitals to develop a network across the country to facilitate nationwide integration of health related records and data through a central health database/s
- Sharing information for preventive care of dominant disease groups in local languages through appropriate ICT tools and technologies
- Setting E-health service providers accreditation and requisite protocols and standards.

E-Justice

- Encouragement of use of IT to reduce delays in dispensation of justice, eradicate corruption and remove barriers to easy and equitable access to Justice.
- Provision of online forms required in various courts.
- Development of online portals for Judges to access various kinds of information such as calendar, pending tasks, pending cases etc. introduction of Online Dispute Resolution for low value civil claims to promote Alternative Dispute Resolution

E-Energy

- Utilization of IT to optimize energy consumption in the domestic, industrial, and retail sectors.
- Establishment of public-private partnerships with cellular operators and utility providers to utilize 3G/4G network for solutions such as smart grids, demand forecasting and availability of consumer portals to manage energy consumption.
- Promotion of implementation of a secure wireless Smart Metering system to improve control over electricity consumption and billing, theft, tampering with meters and supply lines. Adopt research developed for indigenous energy efficiency solutions.

E-Commerce

- Creation of an enabling environment that empowers stakeholders in trade and commerce
- Establishment of a national e-commerce gateway with the State Bank of Pakistan (SBP) with the support and coordination of relevant stakeholders to promote internet merchant accounts to facilitate B2B and other in-bound transactions.
- Development of a framework to allow e-banking activities.
- Promotion of Pakistan as a competitive (FDI) destination for ecommerce
- . Bring Micro Small and Medium Enterprises (MSMEs) and disadvantaged groups online to enhance their effective participation in e-commerce activities
- Promotion of the IT enabled logistic systems of Logistic Operators, e.g. Pakistan post. Development of regulatory frameworks in-line with international obligations such as those being envisaged under the World Trade Organization.

Cloud computing and big data

- Integration of Federal Government's distributed databases to enable data mining and analysis on big data through establishment of state of the art tier 3/4 national level data centers
- Enhancement of the quality of e-Government services through real-time integrated management and data analytics
- Discouragement of the establishment of silo IT infrastructures (small islands) in different government offices to mitigate duplication of resources
- Integration of national and provincial databases to avert duplication and ensure synergy
- Removal of legal and administrative barriers for exchange of data for citizen-oriented services and pattern analysis
- Establishment of cloud based citizen centric services to public
- Establishment of a Common infrastructure platform facilitating and enabling communications between government and the citizens.
- Promotion of the cloud infrastructure and associated delivery models (PaaS, SaaS, and IaaS) to be offered across the globe through special incentives programs.

IOT, Fintech, AI and Robotics

- Establishment of specialized innovation centers for FinTech, Artificial Intelligence (AI), Internet of Things (IoT) and Robotics.
- Promotion of home grown players in IoT, FinTech, AI and Robotics by encouraging a integrated startup ecosystem through collaboration with national/international incubation centers, financial institutions, universities etc.
- Promotion of smart technologies and adoption of IoT, FinTech, Artificial Intelligence.
- Collaborate with HEC, IT industry and other relevant institutions to modernize the education curriculum.

IT exports are doubled in 5 years period from \$0.9 billion in FY 2016-17 to \$2.1 billion in FY 2020-21.

Rising software exports



Almost half of the population have access to internet. As per Pakistan Telecommunication Authority (PTA), broadband penetration is ~54% in the country⁶.

Broadband penetration

Demand in the Intl market

Pakistan was ranked at number four for freelance development in the world.



Skills availability and Incentives for Investors

500,000 IT professionals available in the market²
Government offers great amount of relief in taxes to the investors



Reasons to invest in the IT sector



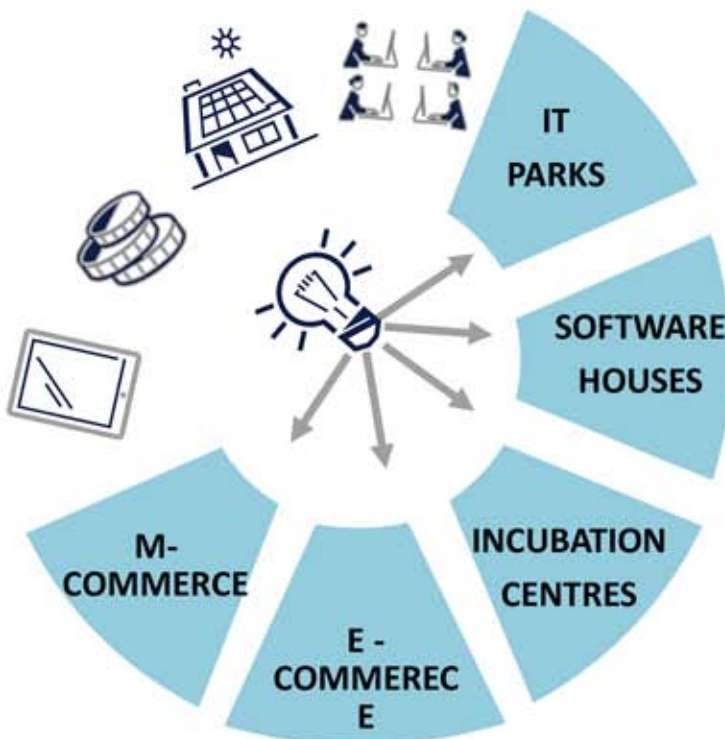
- ▶ Government of Pakistan is very enthusiastic for the advancement and development of IT industry. Recently, Economic Affairs Division has signed a loan agreement with EXIM Bank of Korea worth \$ 158 million for establishment of Pakistan's largest IT Park in Karachi⁷.
- ▶ Special Technology Zones (STZs) has been established to attract investments, bring technology to the Pakistan and open new job avenues for skilled labour. Multiple incentives are offered to companies making investments in special technology zones.
- ▶ Following incentives are offered to investors for making investment in IT & ITeS sector⁵:
 - zero income tax on IT & ITeS exports
 - zero Income tax for PSEB registered IT start-ups
 - 100% foreign ownership of IT & ITeS companies
 - 100% repatriation of profits to foreign IT & ITeS investors
 - tax holiday for venture capital funds till 2024

The advent of technology has made it part of daily life such that it has become an inherent part of corporate as well as domestic life. Businesses worldwide have entered digital age and success lies in the best use of it. Therefore, it has become the most fought upon frontier for competitive advantage.

Pakistan's IT industry generates approximately \$3 billion annually for the country. In FY 2022, IT sectors exports reached \$2.62 billion with an increase of 24% compared to last FY²¹.

Rapid investment is fueled by the growth of exports encompassing software development along with the government support and policies. Overall country's security is favorable with respect to the expansion of IT sector.

Moreover, following sub-sectors could make additional contribution to the overall growth of IT in Pakistan if provided with adequate investment and supportive policies coupled with effective regulations to run the sector.



IT HIGHLIGHTS²

IT Industry Revenue Growth
Over the last 5 years, IT export remittances have increased by 137% at CAGR of 18.85%²

IT Exports
Pakistani companies are providing state of the art products and services to more than 120 countries²

Certified IT Companies
More than 150 IT companies are certified in IT quality standards such as ISO 9001, ISO 27001 and CMMi

International Clients
Pakistan IT companies have many Fortune 500 companies amongst their clients including Halliburton®, Motorola®, GE®, BMW®, Toyota®, Daimler Chrysler®, AT&T®, Vodafone® and many others

Excellence Centers
Many international IT firms have established offices in Pakistan including IBM®, HP®, Dell®, Intel®, Microsoft®, Oracle®, Siemens®, NCR®, Teradata®, Mentor Graphics®, and many more

Software Technology and IT Parks

Software Technology Parks (STPs) are an outcome of collaboration between community, academics, government and businesses. STPs are established to facilitate IT & ITeS companies. Demand for STPs is on rise due to boom in IT industry. STPs are established on public-private partnership basis. Information Technology (IT) Parks have become a primary source of innovation induction in areas which range from small sectors to large economies. Given the growth in economic activity fueled by the expansion in business dynamics, both innovation and technology have come up as the new frontiers for competition.

Pakistan Software Export Board (PSEB) is also setting up STPs through conversion of unused buildings into state of the art STPs with particular focus on secondary and tertiary cities of Pakistan. This would expand Pakistan's tech eco system beyond Islamabad, Lahore and Karachi, thus contributing to the local economies through expansion of tech industry, export earnings growth and employment generation. As of December 2021, PSEB has 21 operational STPs with 1.25 million sqft of space serving 170 IT & ITeS companies⁷.

Government Support

01

Economic Affairs Division has signed a loan agreement with EXIM Bank of Korea worth \$ 158 million for establishment of Pakistan's largest IT Park in Karachi. The total cost of the project is estimated at \$ 186 million and it will take 48 months to complete. The IT Park building will have 14 floors with a gross floor area of 106,449m². In addition to office space, the park will have software testing labs, business incubation centers, technology commercialization centers, etc.⁷

The Government of Pakistan has a very efficient and well organized regulatory process and it incentivizes program for IT and ITeS investment in the region, as 100% foreign ownership is allowed in IT investments with 100% repatriation of profits permitted². Companies who have moved their business operations into Software Technology Parks include Allainet Pvt Ltd, Interactive, PMTAC, Ovex Technologies Pakistan, Tejari Pakistan and many others.

Incentives for Investors

04

02

Resource and Cost of Doing IT Business

IT industry depends on availability of skilled human resources for its survival. Around 25,000 IT graduates enter Pakistan's workforce each year thus providing IT industry required human resources. The average annual cost of a software engineer in Pakistan is one fifth of the cost in USA and Europe. Pakistan is ranked 5th

most financially attractive location in the world for offshore services, according to A.T. Kearney's Global Services Location Index 2019².

An agreement has been inked between Pakistan Software Export Board (PSEB) and Pakistan Telecommunication

Company Limited (PTCL), according to this agreement, PTCL will be offering special discount on cloud based solutions to all software companies, call centers registered with PSEB working inside and outside of software technology parks¹³.

03

Supportive Local Institutes

Why to invest in Software and IT Parks?

Software Houses

FACTS & FIGURES

More than 3000 companies are registered as software development companies with SECP². A number of foreign firms operate either through their appointed local distributor or by having their own office with fully-equipped technical and support teams to cater to their customers' needs. Currently present are companies from UK, USA, Germany, Spain and China. Some of the notable names include: NetSoL, S&P Global, TRG Global and Teradata.

The local software market offers substantial business opportunities to foreign companies who offer products for the corporate sector including:

- Financial management,
- Business forecasting,
- Online IT training portals,
- E-commerce,
- E-payment,
- Embedded tools, and other web-based applications

Currently, development and distribution of enterprise resource management (ERM) and customized solutions for specific industry sectors are considered to be areas of interest by most of high end companies.

Pakistan's IT market is full of qualified people who are able to service the needs of the market at relatively low costs.

The Pakistan Software Export Board (PSEB), IBEX Global and Pakistan Institute of Management (PIM) have signed a memorandum of understanding to offer trainings in the areas of technical skills development and to enhance the current capacity of the Business Process Outsourcing (BPO) Industry in Pakistan²⁰.

Top Software Houses



Incubation Houses

In Pakistan, as startups are gaining momentum and attracting more funds in form of Venture Capital to the country. Therefore, need for incubation centers in the country is on rise to support the development of start-ups by providing them with advisory and administrative support services. In Pakistan, the trend of establishing incubation centers and accelerators is on the rise.

Market Players offering Support to Startups in Pakistan²³

98 Entrepreneurship Support Organizations (ESOs)	13 Accelerators	22 Incubators
13 Associations	24 University Incubators	18 Co-working Spaces

\$565M

Total amount raised by Pakistan Startups since 2015-2021²³

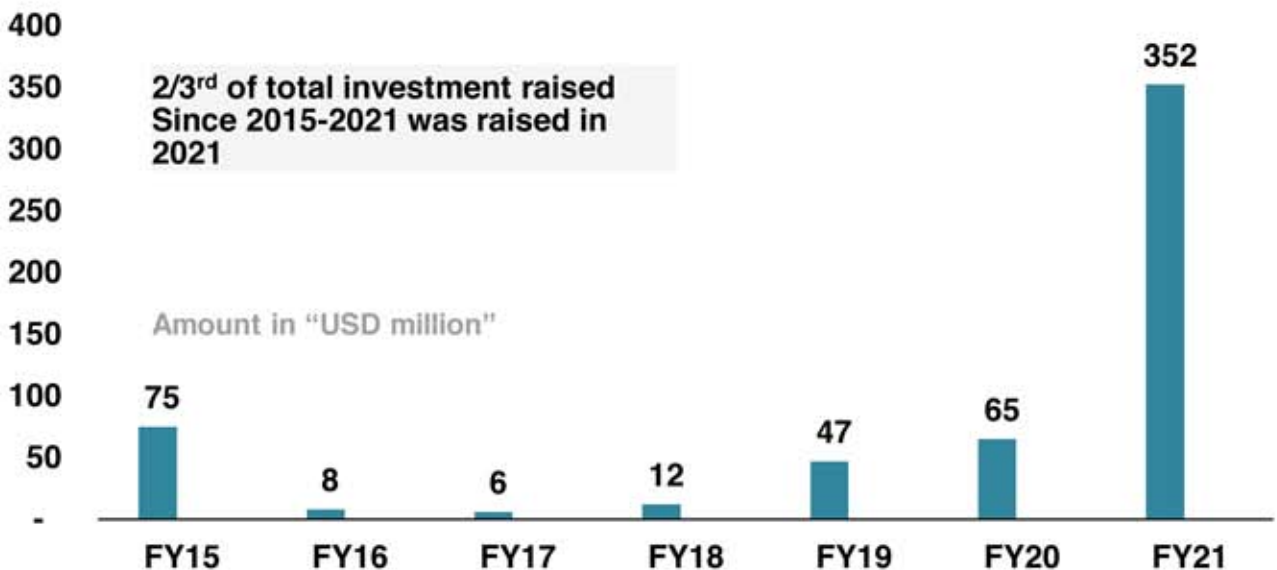
257 Deals

Recorded between 2015-2021²³

40%

Of all disclosed investors in 2021 were International VCs²³

Investment Trend in Startups Since 2015-2021²³



Incubation Houses



Invest2Innovate supports startup communities in growth markets and has been working in Pakistan since 2011. i2i provides support to entrepreneurs via its own flagship program the i2i Accelerator, which has graduated 47 startups that have gone on to raise over \$7.5M and create over 2000 jobs since 2012⁹.

Start-Up Investment

- ▶ These start-ups bring in FDI through investment rounds held across the world.
- ▶ There are many startups success stories
- ▶ Increased incubators can be seen as an area for investment



TechOne is the first Technology Incubator of Pakistan established in 2005 under the umbrella of National university of Science and Technology (NUST). It provides guidance and office space to the startups. It has also launched an exchange that brings startups to Silicon Valley to receive mentorship and business support¹¹.

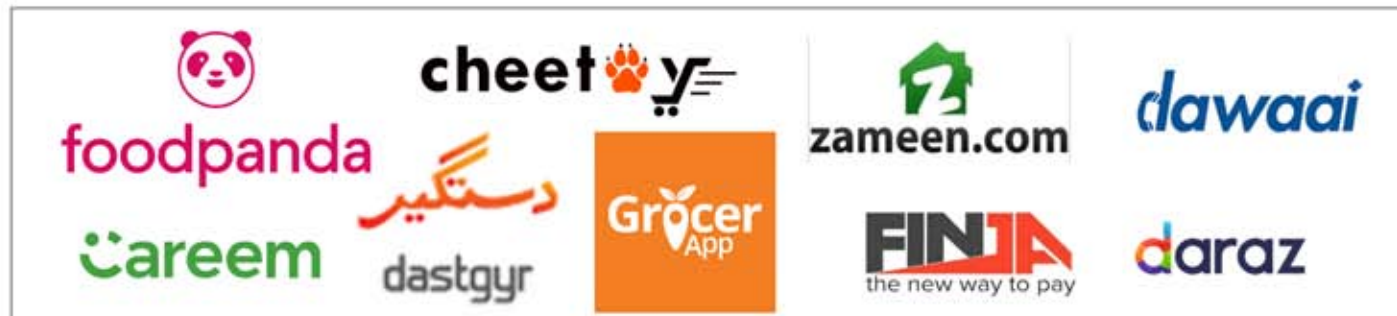
Many software houses and prestigious universities have been at the forefront in establishing incubation centers



Nspire is an example of accelerator established by reputable software house, Netsol. It is the first incubation center founded by any software company in Pakistan. Nspire provides guidance by providing accessibility to its startups with a large pool of industry leaders and offers state of the art infrastructure; training and mentorship; networking opportunities; high-end technologies; investment opportunities and other professional assistance. Currently, it has 38 startups incubated¹⁰.



One of Pakistan's most distinguished and leading educational institute, Lahore University of Management Sciences (LUMS) has also established an accelerator named LUMS Center for Entrepreneurship (LCE).



Incubation Houses

In 2017, an initiative was taken by the Ministry of Information Technology & Telecommunication in establishing the National Incubation Centre. The vision and mission of the National Incubation Centers (NIC) is to provide a technologically sound environment and digital platform for promoting entrepreneurship and to create a space to discover, groom and develop high growth and high impact companies across Pakistan. IGNITE has successfully established 5 NIC in the Federal Capital and all Provincial Capitals of the Country. NIC are established in Islamabad, Lahore, Peshawar, Karachi & Quetta)².



International Telecommunication Union, a United Nations agency for digital tech, has announced IGNITE's National Incubation Centers as one of the champion projects in enabling environment category at World Summit on the Information Society Prizes 2021⁷.

These centers provide mentorship to the startups and networking by leading entrepreneurs, professionals and investors. Additionally, facilities such as rent-free office space, high speed broadband Internet, makers lab, usability labs, Fintech Lab, Design Thinking Lab etc. These centers also offer curriculum that teaches pitching and learning by doing. Legal assistance, coaches, vertical mentors, financial experts and trainers are also available to nurture the Incubatees.

Overall Achievements of 5 NICs⁷

Investment Committed (PKR)	Startups Inducted	Graduated Startups	Revenue Generated (PKR)	Jobs Created	Mentors
10.4B	934	487	4.7B	111K+	130+

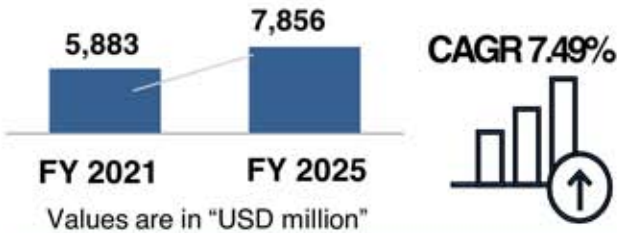


Plan9 is Punjab Information Technology Board's (PITB) tech incubator established with the vision of kick-starting the entrepreneurial ecosystem in Pakistan. It was founded in August 2012. To date Plan9 has graduated 195 startups in 14 cycles with a gross valuation of \$77.1 million¹².

PITB seeks to promote the sustainability of technology startups through PlanX which is Pakistan's first accelerator of its kind. It was founded in September 2014, PlanX aims to empower commercially viable mid-stage technology startups by providing access to multiple funding channels, specialized network of mentors and global exposure to establish high impact businesses.

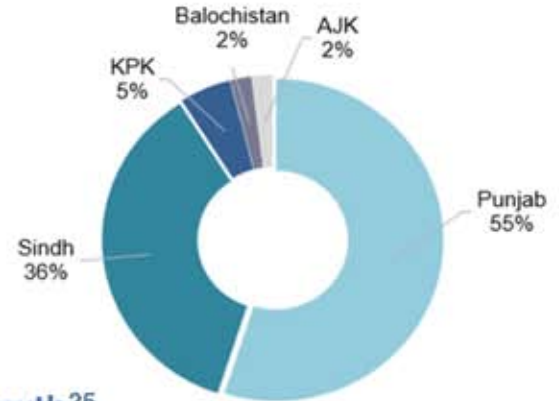
E - Commerce

Pakistan's E-commerce Market²⁵



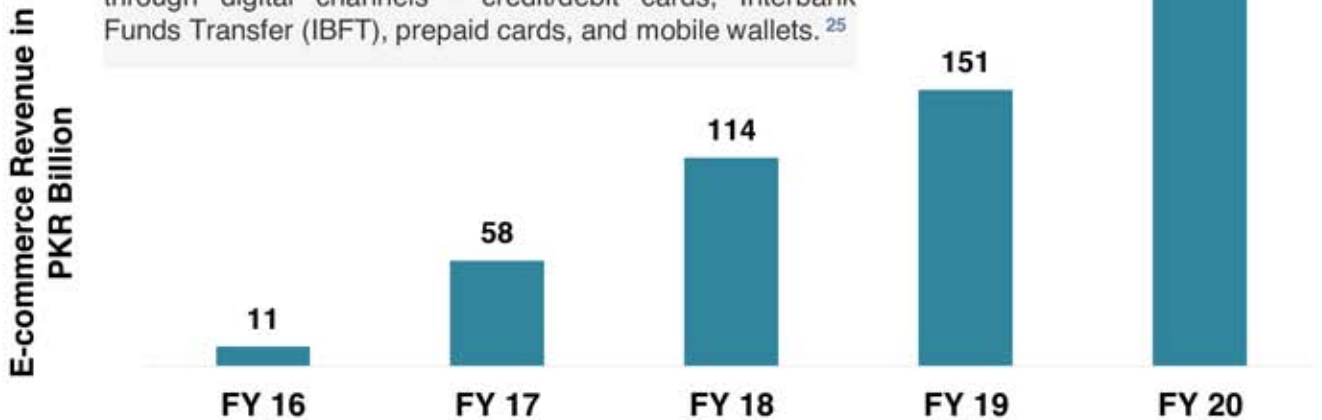
The number of e-commerce users is expected to reach 65.1 million by 2025²⁵

E-Commerce Revenue Breakdown by Province²⁵



E-Commerce revenue growth²⁵

E-commerce in Pakistan is consistently increasing; however, a sizable portion of the transactions (an estimated 60% in value) are via Cash-on-Delivery (COD) and remaining 40% through digital channels - credit/debit cards, Interbank Funds Transfer (IBFT), prepaid cards, and mobile wallets.²⁵



Government has taken several initiatives under e-commerce policy 2019²⁵

- ▶ Public-private partnerships to create awareness and foster innovation;
- ▶ Cross Border B2C E-commerce Regulatory Framework 2020;
- ▶ Export to end-customers (e.g., sell on Amazon);
- ▶ Web-based One Customs (WeBOC) e-commerce module;
- ▶ Automated clearance facility to registered E-commerce traders;
- ▶ Registration portal of the Securities and Exchange Commission of Pakistan (SECP);
- ▶ Separate classification of E-commerce companies and reduction of e-commerce company registration time to 4 hours.

E - Commerce

Current eCommerce Leaders

Some leading eCommerce websites in Pakistan include; khadi, limelight, OLX, Daraz, PakWheels, Grocerapp, Zameen.

The larger players in the e-commerce space have started to utilize digital payments.

Rising Internet Penetration

There is a rapid increase in internet penetration with the introduction of 3G/4G services. The total number of broadband subscribers reaching 116 million subscribers as on June 2022⁶. This will continue due to the availability of cheap smartphones and the relatively low cost of 3G/4G services.

High Rates of Mobile Penetration

Both broadband and 3G/4G Services have just achieved ~ 50% penetration and room for further growth is yet to be achieved⁶.

Opportunities to Drive Traffic

There is heavy web traffic on Pakistani holidays and event season such as Eid-ul-Fitr, Eid-ul-Adha, Black Friday events, New Year and Wedding Seasons (October to April).

Social Media

The introduction of mobile broadband and affordable smartphones has driven the social media use and the popularity of Facebook, Twitter, Skype and Instagram. Facebook leads social media with more than 3 billion connections per day and more than 50 million user accounts in Pakistan. Twitter, Google, YouTube, and Instagram are also popular.



195 Million
Cellular Subscribers

116 Million
3G/4G Subscribers

2 Million
Basic Telephony Subscribers

119 Million
Broadband Subscribers

88.34%
Teledensity

52.55%
Penetration

1.19%
Teledensity

53.92%
Penetration

Source: Pakistan Telecommunication Authority

Google Chrome is the most popular browser and accounts for 56% of total visitors, followed by Microsoft Internet Explorer (21%). The remaining 23 % of searches are through Android, Safari, Opera, Opera Mini, UC Browser, Safari, and Maxthon respectively²⁴.

Social Media Statistics for Pakistan 2021

	Users (Million)
Facebook	50.0
YouTube	45.0
Twitter	3.7
TikTok	31.2
Snack Video	20.0
Likee	3.0
BIGO Live	0.5

Source: PTA Annual Report 2021²⁵

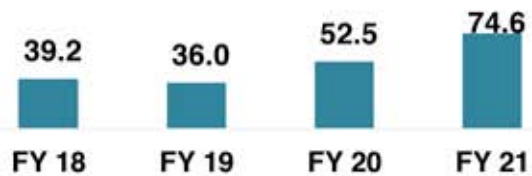
M - Commerce

M-Commerce (mobile commerce) differs from electronic commerce in that it is centred around internet enabled mobile devices and the applications and services that may be accessible. This includes both cell phones and tablets. As mobile technology has become more accessible and further reaching in our lives, this is an increasingly exciting and important area when looking ahead at.

Mobile Wallet Agents²⁵



Mobile Wallet Accounts (million)²⁵



Transactions (billion)²⁵



Value of Transactions (trillion)²⁵



Digital Finance Ecosystem²⁵



188million

biometrically verified SIMs (provide uniquely authenticated database for m-services)



35 million

daily hits on websites of OLX, Rozee, and PakWheels



~ 2 million

merchants/ shop



75 million

m-wallet accounts



60,000

Points of Sale



16,000+

Points of Sale



75,000+

SECP-registered companies



Network of over

105,000

unique m-banking agents' locations

M - Commerce

Online Coupons & Mobile-Wallets (M-Wallets)

195 million cellular subscribers



Vouch365 BOGO (Buy One Get One Free) Lootlo.pk are all currently offering online coupon and voucher services

Rise of e-commerce and m-commerce in South Asia with coupon usage on the increase in the South Asian market

Telenor Microfinance Bank's mobile banking platform, Easypaisa has been awarded by Global Finance Magazine as 'The Innovators 2020' in the field of Payments¹⁶

Number of m-wallets reached roughly **75 million** as of June 2021, compared to **53 million** in last year. And number of **'active' m-wallets** reached **46 million** by June 2021 compared to **27 million** a year ago¹⁷

Telenor's Easypaisa has **8 million active users** per month with **170,000 registered agents** across the country and **25 million registered wallets**. The mobile-wallet (m-wallet) channel processed **800 million transactions** valuing at **PKR 1.5 trillion** during **FY20¹⁴**.

Customers performed **6.4 million transactions** every day directly through their m-wallets in the quarter ended June 2021 which is **57% higher** than quarter ended at June 2020¹⁷

Jazzcash has around **10 million active users** per month and has over **80,000 retail agents** across the country. The digital payments platform has recorded **1 billion+ transactions** amounting to **PKR 2 trillion** since mid-2019¹⁵

SBP introduced a M-Wallet scheme for promotion of Home Remittances in partnership with banks and telcos¹⁸

Pakistan has successful companies offering online coupons including Vouch 365, which represents popular brands across different sectors

Pakistan e-commerce giant "Daraz" is currently offering various vouchers working in partnership with national brands such as FoodPanda and Telenor.

The mobile wallet launched by FINCA Microfinance Bank Ltd. and FINJA Pvt. Ltd. is a highly innovative, automated process which relies on NADRA integration and machine learning. Anyone with a valid CNIC can create a SimSim branchless bank account, in under one minute, using their smart phones.

88.34% Teledensity





Daraz began as an online fashion retailer, founded by German venture capital company "Rocket Internet" in 2012.

In 2014 Daraz switched its strategy to become a general online market, diversifying the categories of products by offering things such as electronic appliances, health & beauty.

Global CEO said that they have invested \$50 million in Daraz.pk to date and they have planned another investment of \$100 million in next 3 years time period.

As with many companies operating in the expanding e-commerce sector, Daraz has been hiring some of the best talent Pakistan has to offer, reporting a 72% increase in the number of jobs created (internally).

TCS and Daraz have signed a MoU for provision of pickup and Delivery services to the Pakistan's leading online portal.

In May 2018, Daraz was acquired by Chinese ecommerce giant, AliBaba Group for an undisclosed amount.



TRUCK IT IN is a platform tech company focused on simplifying road freight for millions of businesses in Pakistan to unlock 1 Billion dollars in resource potential. Pakistan's Truck It In has raised \$13 million in early-stage funding for a logistics startup in the Middle East, North Africa and its home country. The funding is considered to be one of the largest for a logistics startup fund raised in early stage funding.

<https://pk.linkedin.com/company/truckitin>

<https://www.bloomberg.com/news/articles/2022-02-04/truck-it-in-raises-largest-early-funding-in-pakistan-mena>



BridgeLinx is a digital freight network, marketplace and solutions provider. BridgeLinx deploy technology to bring efficiency, scale and innovation to the fragmented and inefficient logistics services. It has an established footprint in Pakistan, MENA / APAC regions, and beyond. With technology at its core, BridgeLinx uses machine learning to connect shippers with carriers, delivering asset-like reliability and broker-like flexibility. Startup has raised \$10 million investment.

<https://www.bridgelinxpk.com>

<https://pk.linkedin.com/company/bridgelinx>

<https://techcrunch.com/2021/09/13/digital-freight-marketplace-bridgelinx-raises-10-million-in-pakistans-largest-seed-funding/>



Zameen.com, established in 2006, is Pakistan's leading online property portal. From 2010 Zameen.com began to charge fees for advertisements placed on their site. This has become the main driver for income, selling ad space for revenue.

Investments

In 2012, the company received an angel investment by Gilles Blanchard, founder of French property website, seloger.com who has since chaired the company.

In 2014, two venture capital firms, Singapore-based Catcha Group and Malaysia-based Frontier Digital Ventures, invested in Zameen.com, really driving forward it's expansion.

A further two rounds of major investment were closed in late 2015 and early 2016, bringing in a total of \$29 million.

In August 2018, EMPG raised \$50 million for another investment round



Expansion

March 2013 was the expansion to mobile, with a more accessible mobile version of it's website launched. An urdu version of the website was launched in the same year.

In 2014, the company launched its property magazine, collaborating with hundreds of property agencies and marketing them further through increased ad space.

The trust and reliability that Zameen.com brings to the projects taken up under its umbrella is remarkable, and the expertise of its marketing and sales teams, have led to this success, with more than 20 projects worth over PKR 40 billion marketed.

Zameen.com has attracted from 2.7 million to 3.6 million visitors to it's website between May 2018 and October 2018.



Headquartered
in Lahore



No of Locations
Offices: 30 cities

Geo-coded maps
that cover over 1.7
million properties



15000
registered
agents

Employee
Strength
Over 3000

Pakistan's largest
property portal
caters to around
18 million people



More than 1
Million App
Downloads

Won Awards twice
at CNBC
international
property awards

Geo-coded maps that
cover properties in
more than 3,700
housing societies

Over 350,000
listings each
month

Bibliography

1. <https://moitt.gov.pk/SitelImage/Misc/files/DIGITAL%20PAKISTAN%20POLICY.pdf>
2. <http://www.moit.gov.pk/SitelImage/Misc/files/Pakistan%27s%20IT%20Industry%20Report-Printer.pdf>
3. <https://rssoftware.com/top-ten-freelancing-countries-2022/>
4. <https://pakobserver.net/potential-of-information-technology-for-exports-economy-and-taxation-by-hafiz-ahsaan-ahmad-khokhar/>
5. [http://moib.gov.pk/Downloads/Policy/DIGITAL_PAKISTAN_POLICY\(22-05-2018\).pdf](http://moib.gov.pk/Downloads/Policy/DIGITAL_PAKISTAN_POLICY(22-05-2018).pdf)
6. <https://www.pta.gov.pk/en/telecom-indicators>
7. https://www.finance.gov.pk/survey/chapter_22/Economic%20Survey%202021-22.pdf
8. <https://ecommercedb.com/en/markets/pk/all#:~:text=The%20eCommerce%20market%20in%20Pakistan,rate%20of%2015%25%20in%202021.>
9. <https://invest2innovate.com/>
10. <https://youth.opportunitiescircle.com/top-business-incubators-in-pakistan-2/>
11. <https://we-fi.org/wp-content/uploads/2021/05/i2i-Pakistan-Startup-Ecosystem-Report-2019-1.pdf>
12. https://plan9.pitb.gov.pk/plan9_at_glance
13. <https://www.telecoalert.com/2018/07/10/ptcl-pseb-sign-agreement-for-cloud-based-services/>
14. <https://www.dawn.com/news/1640132/easypaisa-aims-to-increase-number-of-active-users>
15. <https://www.veon.com/our-brands/jazz-cash/#:~:text=JazzCash%20is%20Pakistan's%20leading%20digital,of%20Pakistan's%20population%20%E2%80%93%20remain%20unbanked.>
16. <https://www.techjuice.pk/telenor-microfinance-bank-wins-the-innovators-2020-award-for-easypaisa-app/>
17. <https://www.brecorder.com/news/40119160>
18. [https://www.sbp.org.pk/warnings/mwallet/mwalet-1.asp#:~:text=Who%20can%20open%20Mobile%20Wallet,%20DHRA\)%20in%20a%20bank.](https://www.sbp.org.pk/warnings/mwallet/mwalet-1.asp#:~:text=Who%20can%20open%20Mobile%20Wallet,%20DHRA)%20in%20a%20bank.)
19. [Information Technology Global Market Report 2021: IT Services; Computer Hardware; Telecom; Software Products - Forecast to 2025 & 2030 - ResearchAndMarkets.com | Business Wire](https://www.researchandmarkets.com/research/it_services_global_market_report_2021)
20. [IT Industry of Pakistan is Exported \\$2.66 Billion In 2022 \(techjuice.pk\)](https://www.techjuice.pk)
21. <https://www.pseb.org.pk/newsletters>
22. <https://www.aljazeera.com/economy/2022/3/16/pakistans-startups-take-center-stage>
23. <https://www.insightsi2i.com/pser-21>
24. <https://www.trade.gov/country-commercial-guides/pakistan-ecommerce#:~:text=As%20per%20local%20trade%20resources,promote%20their%20products%20and%20services.>
25. <https://www.pta.gov.pk/en/annual-reports>